



City of Muscatine



MUSCATINE CITY COUNCIL

Agenda Item Summary – In-Depth Session

Date 02/10/22

STAFF

Jodi-Royal Goodwin, Community Development Director

Carol Webb, City Administrator

SUBJECT FOR DISCUSSION

Carver Corner Development

EXECUTIVE SUMMARY

Presented for Council's consideration is an overview regarding the City's ownership of property at the corner of Hershey Avenue and Green Street, commonly referred to as Carver Corner. In addition, staff will also provide an overview of options for the use of the property. This information is presented to assist Council in determining how the City staff should manage the property or opportunities for future development to address community needs and meet identified goals.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

Does the City Council have questions on the information presented by City staff?

Based on the information provided, what feedback does City Council have on the options presented for next steps related to Carver Corner? Does the City Council have a preferred option that they would like staff to pursue?

BACKGROUND/DISCUSSION

WHAT IS CARVER CORNER

The primary area of Carver Corner consists of seven (7) properties (about 6 acres) approximately 0.5 miles southwest of downtown Muscatine at the corner of Hershey Avenue and Green Street. Additional City owned lots south along Grandview Avenue total just under one (1) acre on eight (8) parcels are also frequently considered part of Carver Corner and, while available for vertical development, should be considered when discussing future uses of the property. In total this area serves as the gateway to the

central business district from the south via Grandview and Hershey Avenues and is in very close proximity to the waterfront and the City's trail network.

The City assembled ownership of the Carver Corner area over approximately two decades. The City acquired a number of properties, including the Carver Pump Site (parcel #1302159002) in 1996 and completed assembling the site in 2017 with the purchase of the Testrake property (parcel #1302159005). Over the years, the City has had environmental, archeological, and other studies completed on the Carver Corner properties. The City also demolished many of the existing derelict structures. Total cost to the City for acquisition, clearance, and clean-up of this site was approximately \$500,000, not including maintenance costs. There are 4 structures remaining on the site that need to be demolished.

The City acquired the Carver Corner parcels due to its proximity to on-going reconstruction of the main transportation thoroughfare and associated public utility and pedestrian amenity improvements, the anticipated realignment of the Hershey Avenue/Green Street intersection, and the possibility of a unique redevelopment opportunity to promote investment into the southern end of the Muscatine Community. The parcels along Grandview Avenue were also acquired in the late 1990 as part of a flood buyout program due to water seepage.

In recent years the site has been used for construction laydown for many of the infrastructure projects undertaken by the City, and no work has been completed to prepare the site for development. As a result the zoning continues to be M-1, Light Industrial along Hershey Avenue and Green Street and C-1, Neighborhood General Commercial starting at the transition from Green Street to Grandview Avenue

CARVER CORNER REDEVELOPMENT

The City acquired the Carver Corner area due to its potential for redevelopment and the possibility of furthering long range City goals. Some of the factors that contribute to the site's development potential include:

- Its significant size;
- Its proximity to the river and trail network;
- Its location on a major thoroughfare;
- Existing infrastructure;
- Its location in a Federal Opportunity Zone; and
- It is largely cleared.

While the land has high potential for redevelopment there are also some development challenges. Carver Corner is an infill location (unused and underutilized land within existing development patterns) and, as such, comes with some conditions that impact how it may develop, processes that need to be

observed, and potentially requiring additional resources to manage mitigation. In the case of Carver Corner there are three main issues:

- Portions of the site are a brownfield (former commercial or industrial property that is abandoned, idle, or potentially contaminated, impacting how development may occur).
- While the site runs beside the river and trail, it is not immediately adjacent to either and access is constrained.
- The presence of the rail tracks in the vicinity require noise and vibration mitigation for the project to be successful and maintained long-term.

The positive attributes of this site establish conditions that allow a developer to manage these issues. This with reasonable access to natural and economic resources, allows for size and scope to distribute the costs of developing over brownfields and mitigation. There is information to suggest new investigations into conditions contributing to the brownfields designation may find the condition has been ameliorated. In addition, the southern properties that abut Grandview Avenue would also be available for ancillary uses to support development needs, such as storm water retention, parking or green space.

Development Tax Incentives

Carver Corner is also attractive for development due to the possibility of utilizing development tax incentives. It is located in the City's Southend Tax Increment Financing (TIF) District and in a tax abatement area, both of which allow for local tax incentives to be potentially utilized by any development in the Carver Corner area increasing the taxable value of the property.

In 2018, the census tract encompassing Carver Corner was designated as an Opportunity Zone by the Internal Revenue Service. Such a designation provides additional incentives for private investment in the area by offering tax benefits to business or individual investors who can elect to temporarily defer tax on capital gains if they timely invest those gain amounts in a Qualified Opportunity Fund (QOF). A QOF is an investment vehicle that files either a partnership or corporate federal income tax return and is organized for the purpose of investing in Qualified Opportunity Zone property.

Complementary Development

Redevelopment of Carver Corner is complemented by a number of public and private projects in the area, including the Mississippi Drive Corridor Project, the Grandview Avenue Corridor Reconstruction and Revitalization Project, a railroad quiet zone, the Merrill Hotel and Conventions Center, the 2nd Street Enhancement Project, the new Musser Public Library and HNI Community Center, and HNI's improvements to its downtown campus. In total these public and private improvements represent over \$100 million investments in the area that contribute to the goal of revitalizing the area and enhancing the quality of life in Muscatine.

In addition, Kent Corporation recently purchased the McKee Button Factory and is currently in the design phase for reactivating that property. Representatives have approached City staff about purchasing approximately one (1) acre on the eastern border of the Carver Corner site. Such a sell would not significantly impact the ability for Carver Corner to be redeveloped.

2019 REQUEST FOR DEVELOPMENT PROPOSALS

In recognition of its redevelopment potential, City staff initiated a Request for Proposals (RFP) process in 2019 for the redevelopment of Carver Corner (final RFP attached). A draft of the RFP was provided to the City Council at the April 4, 2019 meeting and was discussed at the April 11, 2019 City Council meeting.

Also at the April 11 meeting a resident spoke to the City Council about a local initiative related to development of a World Peace Park. A "Park for Peace" is a special designation dedicated to the promotion, celebration and/or commemoration of peace and cooperation. The local initiative was presented as a potential economic development opportunity by attracting visitors from around the world to the proposed park. The group communicated that branding Muscatine as a city with an international focus would have a long-lasting positive impact and put Muscatine on the world stage. The group proposed that such a park was the best use for the Carver Corner site as opposed to the mixed use development proposed by City staff. Councilmember comments included voicing support for development concepts brought forward by respondents to the RFP to include elements of the Peace Park Concept.

The RFP document was finalized and released in June 2019 with submissions due August 14. The RFP was posted on the City's website and sent to 72 individuals representing development companies and others who requested a copy. An informational meeting was hosted July 30 to answer any questions regarding the site or RFP. The meeting was attended by 16 individuals.

One responsive submittal was received from Merge Urban Development Group. The developer proposed a mixed use development that included approximately 300 units of housing and 20,000 square feet of commercial space in 5 buildings as well as covered and surface parking. Total development costs were estimated at more than \$52 million. Merge anticipated utilizing the Opportunity Zone tax incentive and was committed to establishing an Opportunity Zone Business Fund to invest in early-stage companies located in qualified Opportunity Zones. Merge was in discussion with representatives of the Peace Park initiative to include elements of their concept.

In September 2019, City staff requested Council approval to accept responses to the Carver Corner RFP, to designate Merge Urban Development as the preferred developer, and to begin negotiations of a development agreement. Concerns were raised by some Councilmembers during the discussion

including the lack of time for City Council to review the RFP and that only one RFP response was received. Council expressed interest in allowing more time for potential respondents to submit proposals. Some Councilmembers also expressed interest in increasing our tax base and the possibility of attracting a grocery store to the area. Ultimately the City Council voted to table the request until the October 3, 2019, City Council meeting.

At the October 3, 2019 City Council meeting, City staff again requested that the City Council accept responses to the Carver Corner Development request, designate Merge as the Preferred Developer, and authorize staff to negotiate a development agreement. City Councilmembers again expressed concerns about the timeline, public process, the limited response to the RFP, and the desire for Merge to work with the proponents of the Peace Park to incorporate certain elements of the Park concept into the development. The item was not approved with four (4) nays and three (3) ayes.

At the October 10, 2019, meeting, City Council reconsidered their decision to not approve the Merge development based and voted to approve the request to work with Merge. The request was approved by City Council 5-2, however Merge elected not to work with the City at that time.

ALIGNMENT WITH CITY GOALS

The ability to drive the development of an infill area as large and centrally located as Carver Corner is a unique opportunity for a City. As such, any action should consider how this opportunity may further established goals and improve community conditions. Following is an overview of documents and the identified community needs and goals contained within those documents that have previously been adopted by City Council and which could be impacted by the redevelopment of the property.

Comprehensive Plan

The Comprehensive Plan is the vision of what residents desire Muscatine to become as a community over a 10-20 year period. The City's current comprehensive plan was developed in 2012 with community input and includes specific actions, policies, and projects needed to make the community vision a reality.

The Future Land Use Plan, which is contained in the Land Use chapter of the adopted Comprehensive Plan, summarizes the Muscatine community's vision of how development, preservation, and public investment should occur. It is intended to be used in conjunction with all of the goals and implementation strategies contained within the Comprehensive Plan to make the community's vision of the desired future Muscatine a reality. It is intended to represent preferred future land uses and reflect the unique opportunities and assets associated with neighborhoods, natural resources, and public infrastructure as well as guide land use decisions and policies by depicting the desired future land use for any given location.

The Future Land Use Plan designates the Carver Corner site as “Neighborhood Mixed Use” (see Attachment 3). The Neighborhood Mixed Use category is defined as: “*A transitional use between more intensive commercial uses and purely residential neighborhoods. Includes conversions of houses to office or live-work spaces. May include limited commercial-only space oriented to neighborhood or specialty retail markets.*”

Relevant goals outlined in the Comprehensive Plan include:

Goal LU.3

Increase new residential development on vacant lots in portions of the City already served by public infrastructure.

Goal LU.16

The revitalization of established neighborhoods, particularly blighted areas by promoting development that conserves land, protects historic resources, promotes pedestrian accessibility, and integrates different uses of property. Remediation and reuse of existing sites, structures, and infrastructure is preferred over new construction in undeveloped areas.

Goal ED.16

Development and/or revitalization of specifically targeted areas. Seek development and/or revitalization of specifically targeted areas through partnerships with community stakeholders and by leveraging infrastructure improvements, aesthetic enhancements, incentives, and a review of land use regulations.

- *Downtown*
- *Grandview Avenue Corridor*
- *Park Avenue Corridor*

Goal ED.9

Retain Within the Muscatine Economy a Greater Percentage of the Wages Paid by Muscatine Employers. Grow the Muscatine economy by retaining within Muscatine more of the wages paid by Muscatine business establishments. By increasing the percentage of those who work in Muscatine also living in Muscatine over the next decade a higher percentage of those dollars earned in Muscatine should be spent in Muscatine.

Housing Market Demand Study

A Housing Market Demand Study was completed by the City in 2017. This study concluded that at least 800 new housing units were needed in Muscatine to support new growth and offer variety in the housing market. This equates to approximately 58 new units annually including both renter and owner units. That was compared to building activity since 2010 at about 32 units per year. Subsequent to completion of the Housing Study the community has experienced an increase in housing development, and by the end of 2022 almost 310 housing units in 6 projects are anticipated to have been completed.

The Housing Study included a number of other considerations in addressing housing needs, including needs of various populations, the impact of housing choice on the business sector and community

growth, and the issue of quality. The Study indicated the housing market does not adequately serve all ages and employment groups in the City. Primarily many young professionals, especially those not familiar with Muscatine, have a hard time finding housing of choice. Currently, about 61% of employees working in Muscatine live elsewhere. The Study recognized that Muscatine has good jobs and a strong economy, but continued business growth is impacted by the availability of adequate housing.

City Strategic Plan

The City Council adopted a strategic plan in 2020 that identified five areas of focus over the next two (2) to five (5) years. Intentional focus in these areas will assist the City in realizing strategic opportunities, including the City's ownership of property in the Carver Corner project area, the Federal Opportunity Zone designation, and the availability of Tax Increment Financing as a tool to stimulate economic development.

Planning for and implementing the redevelopment of Carver Corner may advance the following objectives identified in the strategic plan:

Vibrant Community:

Enhance and improve the vitality of our community core and gateways including the Grandview Avenue Corridor, Park Avenue Corridor, Riverfront, and Downtown areas to support a thriving economy, vibrant neighborhoods, and a high quality of life and place.

Strategies:

1. Develop and implement subarea community plans for the Grandview Avenue Corridor, the Park Avenue Corridor and the downtown in collaboration with key stakeholders, including residents, businesses, and industries with a focus on revitalization and placemaking.
2. Create quality places that people want to work, live, and play in and that contribute to community health, happiness, and well-being.

Healthy Community:

Support a healthy community through the availability of quality affordable housing, outstanding recreational and cultural amenities, collaboration with community and healthcare partners, and opportunities for lifelong learning.

Strategies:

1. Complete and implement the Housing Plan in collaboration with a broad group of stakeholders and partners (including the Housing Collaborative and based on the Housing Demand Study), the HUD approved Public Housing Plan, and other available documents and data.
2. Support the provision of a full range of housing types to meet the needs of a demographically diverse population.

3. Address vacant and nuisance properties to create new opportunities for housing and to support a vibrant community.
4. Support housing projects that increase the availability of quality housing that is affordable to a broad range of income levels by leveraging Tax Increment Financing and other incentives.
5. Leverage City-owned land to support affordable housing goals.
6. Explore innovative approaches to affordable housing development including land banking, revolving loan funds, and other tools.

Housing Plan

In April 2021, The City Council adopted *“Igniting Vitality Through Workforce Housing”* as the City of Muscatine’s housing plan. The Plan identified a number of goals and strategies that may be utilized to address housing barriers or deficiencies in Muscatine. City Council adopted specific strategies in September 2021. Those goals and strategies that specifically align with redevelopment of Carver Corner are as follows:

Housing Goals

- Increase the supply of housing in the County by at least 300 units (at least 150 units in the City)
- Improve the quality of at least 900 units of housing in the County (at least 450 in the City)
- Increase the number of workers living in the County by 3%
- Reduce the number of school changes due to housing instability for children on free and reduced lunch by 50%
- Decrease the number of housing cost burdened residents by 9%

Housing Strategies

- *Housing Development*
 - Market lots to developers
 - Engage in Neighborhood Revitalization Planning & Initiatives*
 - Reduce restrictions on infill and undeveloped parcels
- *Housing Creation*: take action to return vacant/abandoned properties back to the housing stock
- *Alternative Housing*: promote diverse types of housing to improve housing choice
- *Support Family Stabilization*: Encourage mixed income development
- *Funding*: Seek collaborative application of accelerator funding through a variety of layered sources: private, public, state, federal, and philanthropic (local and national)

2022 City Council Goals

In January 2022, City Council adopted a goal setting report that included policies, programs, and initiatives that align with the City’s Strategic Plan. Goals related to Carver Corner redevelopment include:

1. Evaluate the redevelopment of Carver Corner (Vibrant Community)
2. Aggressively pursue productive use of vacant, abandoned, and city-owned surplus property (Vibrant Community)

As outlined above, the City has repeatedly reaffirmed in its planning and goal setting that housing is a priority for the community and recognized that leveraging vacant and/or city-owned land (such as the land in the Carver Corner project area) are priorities for the City.

OPTIONS FOR NEXT STEPS

There are a number of options available to Council when considering how to proceed with Carver Corner. Such options include:

1. Do nothing - hold the property in the City's ownership until such time as Council feels it is appropriate to pursue its development. This option avoids conflict through the decision-making process, but it does not add value to the community and ensures the City continues to incur the expense of maintenance.
2. Seek feedback from the community on the property's reuse - housing, mixed use, commercial, or public space (e.g. park, etc.) prior to taking any additional steps. While this may provide new information from new stakeholders, there is no guarantee of increased engagement or that there would be new information. This would also take time and staff resources to complete or that feedback would support established goals and community needs.
3. Sell the property to a private owner to pursue some type of development partnership. Selling the property may result in additional revenue, but Council would give up control of how the property develops.
4. Re-issue the RFP based on established goals and objectives. Requests for proposals are a standard practice for key redevelopment projects that shape the project and deliberately initiate a partnership with a vested third-party to pursue the highest and best use of the property while balancing the investment of public resources.
5. Seek a partnership directly with the respondent to the 2019 RFP, Merge. This option initiates a partnership with a qualified entity that displayed an interest and understanding of the property. This would be the quickest method of getting a partner entity engaged in redeveloping Carver Corner. However, a significant amount of time has passed and conditions have changed substantially in that time.

If an RFP were reissued, the objectives of development may include but are not limited to:

- Redevelop vacant property
- Achieve high quality architectural and site design that promotes the neighborhood and complements other local development
- Establish land uses consistent with redevelopment plans
- Promote in-fill opportunities

- Create high quality housing and employment opportunities
- Encourage destination points to draw people
- Provide opportunities to live, work and recreate in the community
- Enhance visitor experience along an important corridor in the community
- Establish outdoor recreational or green space (trail, park, courtyard, etc.) and connections to existing services
- Improve long-term economic benefit, eliminate expenses and increase revenue

IN SUMMARY

Beginning in the late 1900s the City began obtaining title to properties that now comprises almost seven (7) acres on the southern thoroughfare entering the central business district. This area provides a unique opportunity to address community needs with a catalytic project that could have a substantial impact on the economic vitality of the City.

ATTACHMENTS

1. Map of Carver Corner
2. 2019 Request for Proposals
3. Future Land Use Map

**Request for Proposals
Carver Corner Redevelopment
Muscatine, Iowa**

Private Developer for the “Carver Corner” Redevelopment Site, Muscatine, Iowa.

PLEASE TAKE NOTE: This document constitutes a Request for Proposal, and is not a request for professional services, a request for a bid or a construction contract. Acceptance of a proposal may result in a binding contract between the City and the proposer, contingent upon certain legislative acts of the City Council related to the sale of land and a Development Agreement.

Notice to proposers: One signed original proposal and one copy on a flash drive will be received at the Finance Office at City Hall. Address the proposal(s) to: City Clerk, Department of Finance, City Hall, 215 Sycamore Street; Muscatine, Iowa 52761, on or before the date and time specified below. All proposals shall be enclosed in a sealed envelope and marked on the outside in bold letters: **Private Developer Proposal for the “Carver Corner” Redevelopment Site.** Faxed and emailed proposals will not be accepted.

Proposals Due: 3:00 p.m.

Date: August 14, 2019

A non-mandatory pre-proposal meeting will be held 10:00 a.m. July 30, 2019, in the City Hall Council Chambers. The meeting is being held to review the RFP, clarify the City’s expectations, and answer questions. Attendance is not compulsory.

Proposals may be made to the City regarding a proposed development of the property, more specifically particularly described in Section 1 entitled “Background Information and Project Goals”. The City retains the right to reject proposals as non-responsive, to ask for clarification, to enter into negotiations to discuss cost, scope of work, procedures and the final work product. Acceptance of a proposal does not constitute contract approval or approval for construction purposes. Normal administrative and legislative procedures and actions will be required, including but not limited to property sale, approval of financing, site plan review and building permit approvals.

Questions should be directed via e-mail to:

Jodi Royal-Goodwin, Director of Community Development
City of Muscatine, Iowa
City Hall
215 Sycamore Street
Muscatine, Iowa 52761
jroyal-goodwin@muscataineiowa.gov

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Request for Proposals
Private Developer for City of Muscatine, Iowa
“Carver Corner” Redevelopment

Section 1: Background Information and Project Goals

This Request for Proposals (RFP) is issued by the City of Muscatine to identify private developers and development teams interested in redeveloping what is referred to as “Carver Corner” and identified on the map below. The City is seeking a development team with the capacity to create an urban mixed-use project (the “Project”) on 6.19 acres of property located in the downtown corridor. As illustrated on the graphic below, the site is located along the Mississippi River and outdoor trails.



Project Site Parcel Identification Numbers:

1302305001, 1302159012, 1302159011, 1302159009,
1302159005, 1302159003, & 1302159002

Legend

- Project Parcels
- Other Parcels
- Multi-Use Trail

The site is also located 0.5 miles from downtown; is fully protected by an accredited levee; is adjacent to the Riverfront multi-use trail and wider community trail network of over 12 miles; eligible for Tax Increment Financing and located in a Federal Opportunity Zone; and centrally between some of the area's largest employers.

The City intends to enter into a development agreement and convey the property to the development team which best meets the City's goals. The Project is envisioned as a privately-owned urban building or complex of buildings with a mix of commercial and residential offerings that maximize the last developable riverfront views and central location. The proposed development should also complement the historic nature of adjacent properties.

The purpose of this RFP is to solicit proposals from developers and development teams interested in acquiring and developing this property. The city intends to convey the property to the selected developer/development team.

Objectives for the Redevelopment of “Carver Corner”

1. Redevelop vacant property
2. Achieve high quality architectural and site design
3. Establish land uses consistent with redevelopment plans
4. Promote in-fill opportunities
5. Create high quality employment opportunities
6. Encourage destination points to draw people
7. Provide opportunities to live, work and recreate near the river
8. Enhance visitor experience along an important corridor in the community
9. Establish outdoor recreational or green space (trail, park, courtyard, etc.)
10. Improve long-term economic benefit

Goals for this Project Include:

1. Urban building(s) consistent with the stated goals of the downtown & riverfront areas which emphasize urban, walkable neighborhoods, and high quality architectural and site design;
2. A variety of commercial and residential uses; and
3. Residential uses designed and marketed to households desiring to live in a quality/high amenity building(s).

Section 2: Intent, Potential Public Assistance and Development Agreement

Muscatine's goal is to enter into a property transaction and Development Agreement with a development team committed to constructing a high quality urban building(s). The city is seeking development proposals for a Project that maximizes private investment and leverages non-city sources to the greatest degree possible.

Incentives and/or financial participation potentially available from the City are not intended to replace financing from other private and public resources. Rather, they are intended to be flexible resources that bridge funding gaps that may be created or compounded by current market conditions or the difficult nature of infill projects on previously developed sites. The infill nature of this project is partially mitigated by the City having assembled the properties, completing some environmental assessments and clearing some parcels.

If financial assistance is requested, the City will work with the selected developer to analyze details of the proposed Project's financial pro forma and other factors. Potential financial assistance will be based on the project meeting the City's goals for the property and the nature and extent of the financing gap identified between project costs and the available private resources. In their proposals, development teams should make a reasonable estimate of the need for financial assistance, based on project costs, a preliminary pro forma, and estimated debt and equity sources. It should be noted that for any request involving Tax Increment Financing (TIF), a rebate structure is strongly preferred to upfront funding. Ultimately, any TIF incentives will need to be approved by the City Council following the required legislative process.

The sale of the Project site to the developer may be negotiated on terms responsive to the Project's gap financing needs (and in accordance with state and local law).

The City will designate a lead City staff contact for the Project to facilitate and expedite communications and necessary approvals across City Departments, including Planning and Zoning, Public Safety, Housing, Permits and Plan Reviews, etc.

The City will assist with citizen outreach and public meetings as necessary.

Development Agreement

The City will ultimately enter into a Development Agreement with the selected development team. The Development Agreement will include terms for the conveyance of the property; security requirements to ensure Project completion; financial terms associated with property conveyance and Project construction; terms regarding the condition of the property prior to conveyance; Project timeline; and any additional terms as may be necessary to ensure compliance with the Project goals stated herein.

Negotiations will include a determination of whether the City will provide a clean site (with existing buildings demolished and any environmental issues mitigated) *or* if demolition and mitigation will be performed by the selected development team.

Negotiations may include any assistance required for construction staging related to the Project.

Section 3. Submittal Requirements

All proposals must comply with the following requirements and must be numbered accordingly:

1. The Proposal Submittal Signature form (copy attached as Exhibit "A").
2. A signed letter on the proposer's letterhead indicating an interest in the Project.
3. Primary contact person and contact information.
4. The legal name and address of the development entity, including all joint ventures, limited partnerships, and limited liability companies, and the percentage of interest of each. Proposers are encouraged to include size of their firm, parent company if applicable, and officers/principals of the firm.
5. A description of any and all litigation involving the principals, development entities, or members of the development team during the past five years (Exhibit "B", Listing of Lawsuits or Litigation within the Past Five Years). A statement relative to whether any of the principals, development entities, or members of the development team have ever been charged with or convicted of a felony.
6. Identification of the legal entity with whom the city would contract, whether the entity exists currently or would be created for the purposes of this project, and the names and titles of all parties authorized to act on behalf of the proposer.
7. Information showing all members of the proposed development team including but not limited to the developer, management agency, legal, design professionals, and consultants. Contact information should be provided for each team member.
8. A description of proposer's previous experience, including a brief description of at least two mixed-use projects where the proposer played a substantial role. The description should include the specific role of the proposer and current status of the projects. Sufficient reference contact information should be provided for each project in order to permit the City to verify the information.
9. A description of the proposer's financial capacity to obtain acquisition, construction, and permanent financing, including letters of interest from lenders and/or tax credit investors. A discussion of the financing sources and partnerships utilized for prior projects and references from those parties are also welcomed and encouraged.
10. A narrative describing the proposer's plan for construction and financing of the Project, to include:
 - a. Organization and management approach to the Project.

- b. General schedule for the completion of the Project following property acquisition.
- c. Description of a general plan for construction loan and permanent financing, copies of any letters of intent from prospective purchasers and/or tenants.
- d. Description of the marketing approach to secure purchasers/tenants.
- e. Proposed purchase price for the Project property.

11. If public financial participation is contemplated/requested, a narrative with information including:

- a. Preliminary project building costs, preliminary pro forma, and sources and uses of funds illustrating anticipated and/or potential financing sources.
- b. Proposed amount and description of gap financing assistance for the Project.
- c. Description of how the Project addresses and corresponds to market demands and conditions. A market study may be required as a condition of financial assistance.

12. A visual description of the proposed Project, including (if available);

- a. Conceptual drawing or schematic.
- b. Conceptual square footage of commercial and/or office space.
- c. Conceptual square footage and size of residential units.
- d. Conceptual layout of commercial and residential floors and parking.
- e. Conceptual visualization of the pedestrian-level façade.

13. A description of any energy efficiency components of any building(s) and a description of sustainability features proposed to be included.

14. References from financial institutions, city governments, and community organizations that will permit the City to verify the capabilities of the proposer.

15. The identity of any unique resources, capabilities or assets which the proposer would bring to the Project.

16. The entire proposal may be no longer than 45 pages.

Section 4. Reservation and Disclosures

Reservation

Issuance of this RFP does not commit the City of Muscatine to enter into a Development Agreement, pay any costs incurred in preparation of a response to this request, or to procure or contract any services or supplies. The City reserves the right to reject any and all proposals and to make recommendations for changes in any proposal submitted, to waive informalities or irregularities, and may, in the process of this recommendation, allow the developer to make such recommended changes in its proposal. The City reserves the right to require additional information from the developer, financial or otherwise, to hold meetings with any developer to review the offer and development proposal, and to waive any of the requirements set forth herein.

The City may, at the conclusion of its review, recommend that the City Council, in conjunction with the appropriate legislative process, commence negotiations with the intention of entering into a Development Agreement with the selected developer.

As an equal opportunity/affirmative action employer, the City prohibits discrimination on the basis of race, creed, color, sex, age, religion, sexual orientation, gender identification, marital status, disability, or national origin. Minority and women's business enterprises will be afforded full consideration and are encouraged to respond.

Disclosure of Proposed Content

After the deadline for submissions of proposals, the contents of the proposals will be placed in the public domain and open for inspection by the public. Trade secrets or proprietary information that are recognized as such and are protected by law may be clearly withheld if identified as such in the proposal.

Disposition of Proposals

All proposals become the property of the City and will not be returned to the proposer.

Independent Contractor

The selected developer will act as a separate legal entity and will not be in joint venture, employment or otherwise affiliated with the City. The developer is responsible for all insurance, salaries, contracts, withholding taxes, social security, unemployment, worker's compensation and other taxes and other liabilities it incurs in connection with the Project, and shall hold the City harmless from any and all claims for the same.

The submission of a letter of a proposal will not require a fee or deposit. The City shall have the right to verify the accuracy of all information submitted and to make such investigation as it deems necessary or appropriate to determine the ability of a prospective developer to carry out the Project. The City reserves the right to reject any response where the evidence or information does not satisfy the City that the prospective developer is qualified to carry out the Project, is a person or firm of good reputation or character, or if the developer refuses to cooperate with and assist the city in the making of such investigation.

Section 5. Proposal Criteria and Scoring

Proposals will be reviewed and scored by a committee consisting of City staff and independent consultants. This committee may invite proposers to make oral presentations of their proposals. This committee will make a recommendation to the City Council on a preferred developer or may make a recommendation for a list of finalists to be considered by the full City Council following public presentations of finalist proposals. If there is a clear preferred developer the review committee may make a recommendation without public presentations, but the proposers should be prepared for a public presentation of their proposal.

Proposals will be scored and reviewed according to the following criteria:

1. Compliance with submittal requirements

2. Developer Experience and capabilities - 25 points possible.

- a. Quality of proposal
- b. Composition and experience of development team, particularly experience with mixed-use projects
- c. Organization and management approach to the Project
- d. References, including references within the construction industry
- e. Implementation ability, demonstrated ability of the developer to implement complex development projects

3. Market and economic viability of the project - 25 points possible.

- a. Evidence of the financial strength of the developer
- b. Estimate of developer equity investment in the project
- c. Marketing approach
- d. Evidence of interest from financial institutions and investors
- e. Letters from prospective purchasers and/or tenants for commercial and/or office space
- f. Reliability of the proposed financial plan
- g. Preliminary evaluation of need for any requested gap financing; level of request for gap financing; type of gap financing (upfront vs. rebate)

4. Long term fiscal benefit to the City - 25 possible points.

- a. Projected property tax revenues
- b. The price offered for the City property and any terms
- c. Any required City services and/or ongoing public funding beyond the construction costs
- d. Employment opportunities created
- e. Ability of the Project to generate other revenue for the City
- f. Assessment of any impact of the Project on nearby properties.

5. How the Project furthers Muscatine's economic development, riverfront use, and tourism goals 25 points possible.

- a. Ability of the Project to draw those working in the community but living outside the community to relocate to the community
- b. Ability of the Project to add to riverfront use, trail use, and outdoor activities
- c. Ability of the Project to include urban green space that provides or increases access to recreational and/or cultural resources
- d. Ability of Project to create employment opportunities
- e. Included residential provides housing opportunities for a variety of income levels, if so what income levels, with appropriate amenities
- f. Sensitivity to/or complimentary to adjacent/potentially historic architecture *or* plans to include them as a part of the overall development

6. Compliance with applicable state, federal and local laws, rules and regulations and policies; and other factors as deemed to be in the best interest of the City

Section 6: NON-ASSIGNMENT OF INTEREST

No developer shall assign or transfer to any other person or corporation, any interest in its proposal prior to execution of a Development Agreement without the express written authorization of the City. After execution of a Development Agreement and until the proposed Development has been completed, no interest in the contract may be assigned or transferred without the written consent of the City, except as set out in the Development Agreement.

Exhibit A

Proposal Submittal Signature Form

The undersigned attests to his/her authority to submit this proposal and to bind the firm herein named to perform if the firm is selected by the City of Muscatine. The undersigned further certifies that he/she has read the Request for Proposal, terms and conditions, and any other documentation relating to this request; has complied in all respects with all conditions hereof, and this proposal is submitted with full knowledge and understanding of the requirements and time constraints noted herein.

The undersigned hereby further acknowledges that it accepts the terms of the Request for Proposals in its entirety and by the submission of its proposal hereby waives any claims or claims to irregularities that arise out of such RFP, the process employed by the City to solicit and develop proposals, or the RFP evaluation process described in the RFP, and agrees to release and hold harmless the City, its employees, agents, and consultants from any claim, loss, or damage arising therefrom.

The undersigned hereby authorizes any person, firm or corporation to furnish any credit history and financial condition or other information required by the City to verify information related to the firm's submission to the City.

I hereby certify on behalf of the undersigned firm, that the above information is true and correct to the best of my knowledge and that the City may rely on the information provided.

Firm Name: _____

Home Office Address: _____

City, State, Zip: _____

Name and Title of Representative

Name: _____

Signature: _____

Date: _____

Exhibit B

LISTING OF LAWSUITS OR LITIGATION WITHIN THE PAST FIVE YEARS

Lawsuit or Litigation

Status or Outcome

Comments

Exhibit C

The Carver Corner Parcels, Adjacent Properties and Environmental Considerations

McKee Button Factory (East)

As mentioned above, the Carver Corner site is adjacent to properties of historical nature and value. Primarily the 1.26 acres to the east of the site is home to McKee Button Factory. The facility, built in 1907, is still an operating button manufacturer owned by the founding family. We encourage all potential respondents to consider this historical building in the design and use of Carver Corner. Parties interested in learning more about options and opportunities to incorporate the McKee facility into the proposed project should contact the City to schedule a tour or discuss considerations.

Southwest Parcels

Over the past three decades the City has also acquired an additional .97 acres extending south and west along Grandview Avenue from the offered site. The City's ownership of seven (7) of these parcels is the result of flood buyouts due to seep water during significant flood events. As a result these properties have restrictive covenants preventing the City from conveying ownership and limiting their use. Specifically, *"No new structure(s) will be built on the property except as indicated below:*

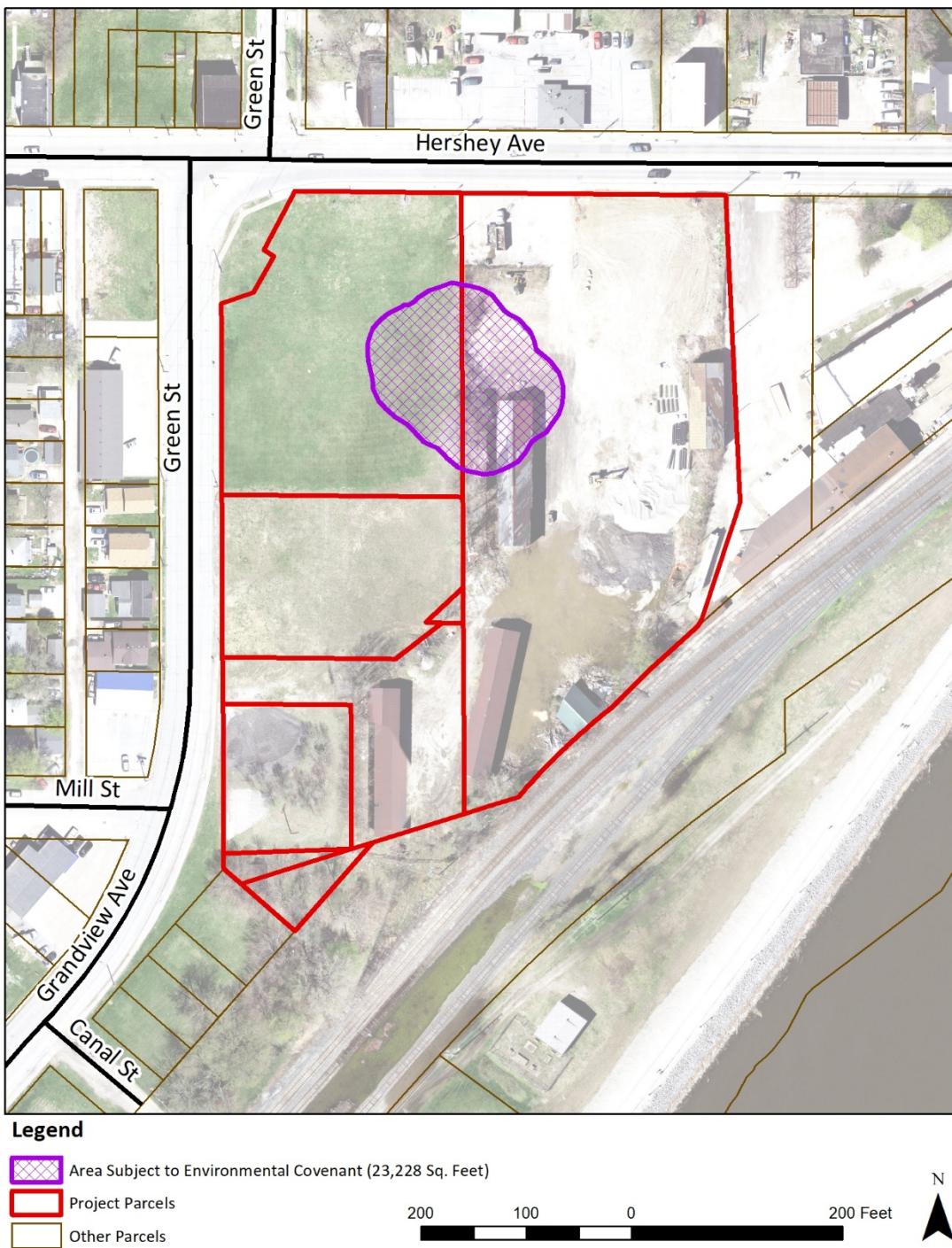
- (A) A public facility that is open on all sides and functionally related to a designated open space or recreational use;*
- (B) A rest room; or*
- (C) A structure that is compatible with open space, recreational, or wetlands management usage and property flood plain management policies and practices..."*

The parcels being offered for sale in the RFP have not historically been impacted by seepage, including in 2019 when the Mississippi River was in flood stage for more than three (3) months and recorded the third, fifth, and eighth highest crests on record.

If a development team identifies a benefit to incorporating any or all of these parcels in a proposed development the City will entertain requests and work with the developer and appropriate state and federal agencies to secure approval to proceed. The City recognizes that these sites may be ideal for storm water management and offer additional opportunities to provide recreational or cultural amenities.

Environmental Considerations

Previous activity on these sites resulted in soil contamination and environmental covenants of 23,228 square feet of the site as illustrated on the figure below.



These covenants do not prevent construction and affect 8.6% of the total land area of the development site. These covenants limit the following activities and uses:

- 1) Installation of water wells on the property;
- 2) Prohibit construction of confined spaces within the “area of the applicable receptor identification plume”; and
- 3) Prohibit the construction of sanitary sewers within the “area of the applicable receptor identification plume which exceeds Tier 2 default levels”.

Copies of these documents may be obtained by contacting the City or the County Recorder's Office.

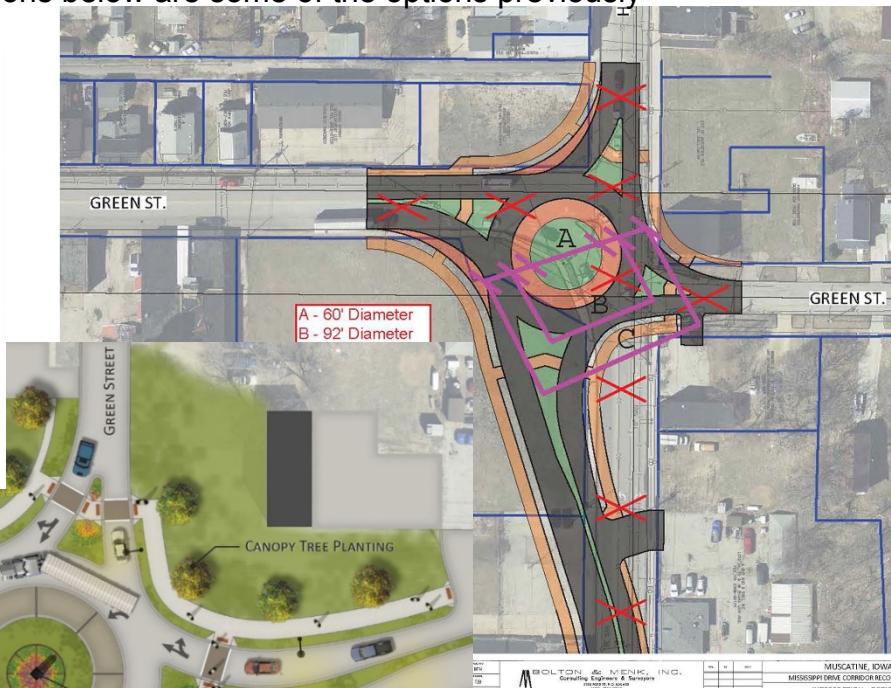
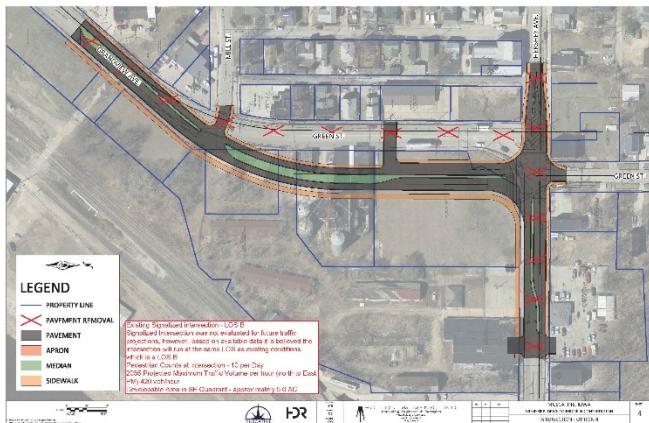
Exhibit D

About The Intersection - Restructuring Opportunities

The City of Muscatine is currently modernizing the City's main thoroughfare, which comprises the streets and intersection adjacent to the property to be developed under this RFP. The objectives for this work implements Muscatine's complete street policy by improving both Muscatine's quality of life and image by providing a safe and attractive environment for street users of all ages and abilities such as motorists, pedestrians, bicyclists, mass transit, children, senior citizens, individuals with disabilities, freight carriers, emergency responders and adjacent land users. In the end this project will modernizing U.S. 61-Business through the reconfiguration and reconstruction of the sub-standard, deteriorated roadway; and enhance aesthetics throughout the corridor that are consistent with Muscatine's riverfront improvements, including increase street lighting, landscaping, gateway features; improved pedestrian crossings and sidewalks; addressing traffic signals and geometric conditions; and restoring storm drainage and roadway embankment work intended to improve flood protection.

The improvement segments include the HNI Campus Area, Downtown Area, High Sidewalk (Bluff) Area and the Carver Corner Area. It is the intention of the City to coordinate and collaborate with the successful proposer on the improvements to the Carver Corner Area.

Currently the intersection has a traffic signal to control the vehicular movement through an asymmetrical crossing. The City has worked with contracted engineers to develop options for consideration. The illustrations below are some of the options previously presented for review.



However, the City has determined the best course of action to ensure the street reconfiguration and development resulting from this RFP are compatible is to wait and work with the selected developer. It is anticipated that upon selection of the preferred developer, the City and developer will include this project in the process of negotiating the Development Agreement.

Exhibit E

Other Related Information Available for Review

City of Muscatine Comprehensive Plan

<https://www.muscatineiowa.gov/518/Comprehensive-Plan>

Housing Market Demand Study

<https://www.muscatineiowa.gov/1160/Housing-Market-Demand-Study>

Mississippi Drive Corridor Project

<https://www.muscatineiowa.gov/941/Mississippi-Drive-Corridor-Project>

Grandview Avenue Revitalization Project

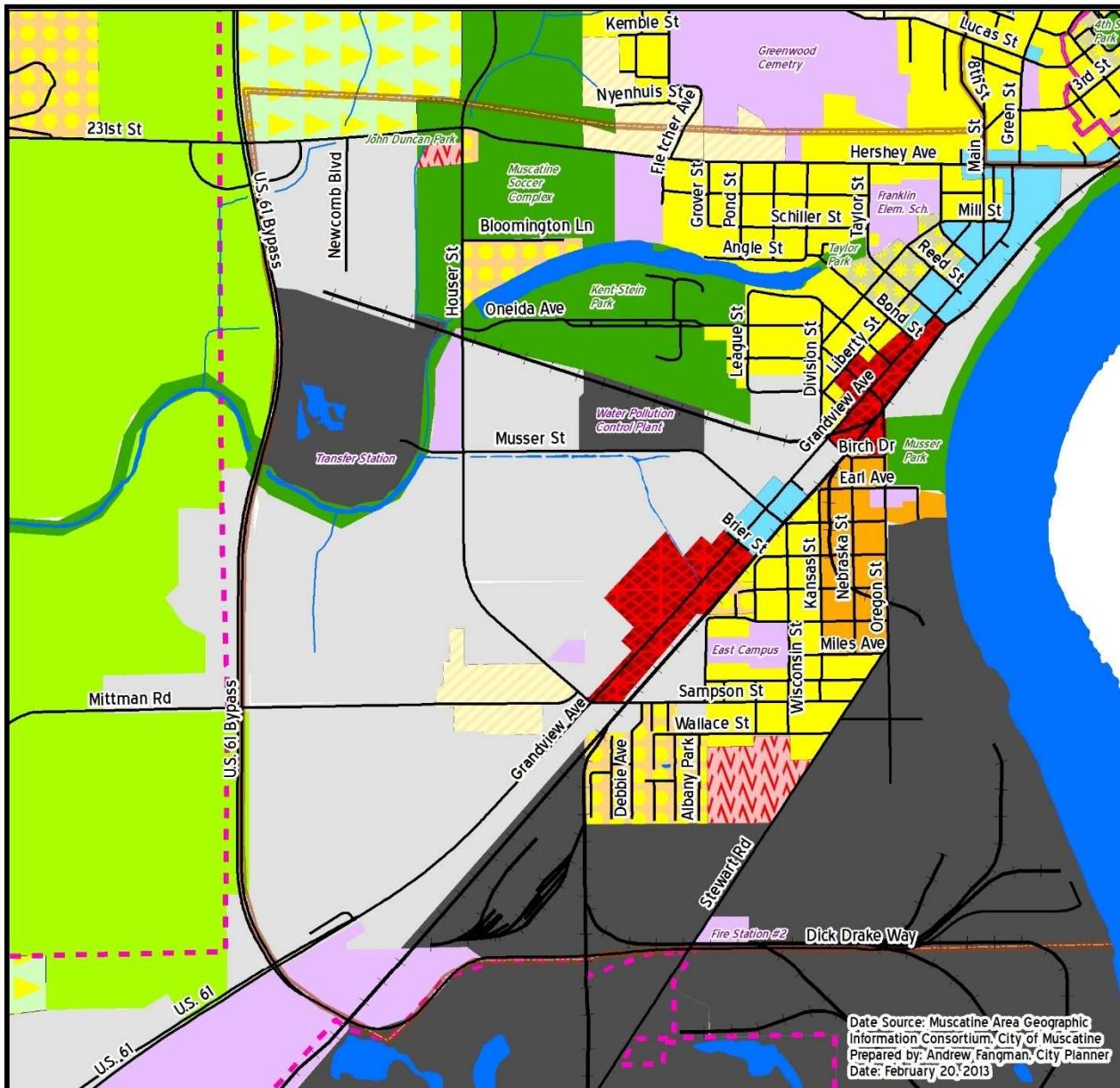
<https://www.muscatineiowa.gov/1188/Grandview-Avenue-Revitalization>

Riverside Park Master Plan

<https://www.muscatineiowa.gov/821/Mississippi-Riverfront-Project>

Additional environmental conditions information is available for review in the Community Development Office upon request.

Attachment 3: Future Land Use Map



Attachment 1: Map of Carver Corner

